



# California Fair Political Practices Commission

July 19, 1988

Kathleen Modugno, Treasurer  
Friends of Coastal Open Space/Yes on  
Proposition C  
P. O. Box 91840  
Santa Barbara, CA 93190

Re: Your Request for Advice  
Our File No. A-88-223

Dear Ms. Modugno:

You have requested advice concerning the campaign disclosure provisions of the Political Reform Act.<sup>1/</sup>

## QUESTIONS

1. Were contributions received by Friends of Coastal Open Space/Yes on Proposition C ("the Committee") correctly reported as having been made by Concerned Citizens to Save the Wilcox ("Concerned Citizens")?
2. Is the Committee a sponsored committee?

## CONCLUSIONS

1. Based on the information you have provided, it appears that Concerned Citizens was correctly disclosed as the source of the contributions. However, if you have information which indicates otherwise, you should take reasonable steps to inquire into the true source of the contributions.
2. The Committee may be sponsored by Concerned Citizens. However, more information is needed before a determination can be made.

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<sup>1/</sup>Government Code Sections 81000-91015. All statutory references are to the Government Code unless otherwise indicated. Commission regulations appear at 2 California Code of Regulations Section 18000 et seq. All references to regulations are to Title 2, Division 6 of the California Code of Regulations.

### FACTS

Concerned Citizens to Save the Wilcox, an unincorporated association, was awarded \$30,000 in settlement of a lawsuit with Santa Barbara Senior Housing Associates, Inc. The settlement specified that the \$30,000 was to be used on a campaign to support Proposition C in the City of Santa Barbara. Through the period ending May 21, 1988, Concerned Citizens had contributed \$7,930 to the Friends of Coastal Open Space/Yes on Proposition C Committee. At that time, the \$7,930 represented 40 percent of the Committee's total receipts. Additional contributions could increase Concerned Citizen's percentage to 70 percent of total receipts.

### ANALYSIS

The Act requires committees formed to support or oppose ballot measures to file the campaign disclosure reports set forth in Section 84200 et seq. On those reports, such committees must provide detailed information regarding persons from whom they have received contributions totaling \$100 or more during the calendar year. (Section 84211.)

There is nothing in the facts you presented to indicate that someone other than Concerned Citizens should be listed as the source of the contributions received by the Committee. However, committee treasurers have an obligation to use all reasonable diligence in determining the true source of contributions, and are required by Commission regulations to:

Correct any inaccuracies or omissions in campaign statements of which the treasurer knows, and cause to be checked, and if, necessary, corrected, any information in campaign statements which a person of reasonable prudence would question based on all the surrounding circumstances of which the treasurer is aware or should be aware by reason of his or her duties under this regulation and the Act.

Regulation 18427.

If you have reason to believe that Concerned Citizens is making contributions to the Committee under circumstances other than the ones you described, you should seek additional information from them. In addition, please note that Section 84211 requires the Committee to disclose, among other things, the name and address of each contributor of \$100 or more. If the contribution was received through an intermediary, Section 84302 requires disclosure of the name and address of the intermediary as well.

Kathleen Modugno  
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With regard to your second question, Section 82048.5 states that an entity or organization sponsors a committee if any of the following apply:

1. The committee receives all or nearly all of its contributions from the entity or organization or its members, officers, employees or shareholders; or

2. The entity or organization collects contributions for the committee by use of payroll deductions or dues from its members, officers or employees; or

3. The entity or organization, alone or in combination with other organizations, provides all or nearly all of the administrative services for the committee; or

4. The entity or organization, alone or in combination with other organizations, sets the policies for soliciting contributions or making expenditures of committee funds.

Your letter provides insufficient facts to determine if Concerned Citizens sponsors the Committee. Please feel free to call me at (916) 322-5662 if you would like to discuss this question, or if you need additional information.

Sincerely,

Diane M. Griffiths  
General Counsel



By Carla Wardlow  
Political Reform Consultant

504 15 1 23, 1988

FRIENDS OF COASTAL OPEN SPACE/  
YES ON PROPOSITION C 1 2010 00  
P.O. BOX 91840  
SANTA BARBARA, CA 93190

May 30, 1988

Fair Political Practices Commission  
428 J Street  
Sacramento, CA 95814

Dear FPPC representative,

This letter is in regard to contributions our committee has received from Concerned Citizens to Save the Wilcox, an unincorporated association. We have reported contributions of \$7,930 from this committee on our Form 420 for the period ended May 21, 1988 (see pg 6 of 9).

Concerned Citizens to Save the Wilcox was awarded \$30,000 in settlement of a lawsuit with Santa Barbara Senior Housing Associates Inc. The settlement specified that the \$30,000 was to be used on a campaign for Proposition C. As of May 29, our committee has received \$7,930 from the fiduciary holding the settlement funds.

Our concerns are twofold. Firstly, we want to fully disclose the nature of the contribution on our campaign reports. If our method of disclosure is not complete, please let us know how to amend our report.

Secondly, we are concerned about our potential status as a sponsored committee as a result of receiving the contributions from Concerned Citizens to Save the Wilcox. At the present time those contributions represent 40% of our total cash receipts. If we receive more contributions the percentage could go up to 70% or more. Will you please respond to this concern?

Thank you for your help in these matters.

Sincerely,

*Kathleen Modugno*  
Kathleen Modugno  
Treasurer

Enclosure

# MONETARY CONTRIBUTIONS RECEIVED (CONTINUATION SHEET)

FORM 420 OR 490

(Amounts May Be Rounded To Whole Dollars)

PAGE 6 OF 1

STATEMENT COVERS PERIOD  
FROM MARCH 18 THROUGH MAY 21

NAME OF CANDIDATE, OFFICEHOLDER OR COMMITTEE:

FRIENDS OF COASTAL OPEN SPACE / YES ON PROPOSITION C

I.D. NUMBER (IF COMMITTEE)

880981

DATE REC'D	FULL NAME AND ADDRESS OF CONTRIBUTOR (IF COMMITTEE, IN ADDITION TO COMMITTEE'S NAME AND ADDRESS, ENTER I.D. NUMBER OR, IF NO I.D. NUMBER HAS BEEN ASSIGNED, ENTER THE TREASURER'S NAME AND ADDRESS)	OCCUPATION	AMOUNT	
		EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	RECEIVED THIS PERIOD	CUMULATIVE TO DATE
3/24/88 5/10/88	KEVIN YOUNG 119 COOPER RD. SANTA BARBARA, CA 93109	Occupation: REAL ESTATE SALES Employer: HCLP-U-SELL	215	215
5/16/88	JENEY YOUNG 21 E. QUINTO SANTA BARBARA, CA 93105	Occupation: HOMEMAKER Employer:	250	250
4/11/88	KATE KINLEY GREGG	Occupation: N/A Employer: at time of filing	100	100
5/5/88 5/19/88	CONCERNED CITIZENS TO SAVE THE WILCOX - THROUGH ITS INTERMEDIARY: ENVIRONMENTAL DEFENSE CENTER-CLIENT TRUST ACCT	Occupation: Employer:	7930	7930
		Occupation: Employer:		
		Occupation: Employer:		
		Occupation: Employer:		
		Occupation: Employer:		
		Occupation: Employer:		
		Occupation: Employer:		
SUBTOTAL			8555	